

VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM
Meeting of the Board of Trustees – Conference Call, Treasurer's Conference
Room

April 13, 2023 – 9:00 a.m.

Please note all member participated via telephone, video, or teleconference:

Members present:

ROGER DUMAS, Chair, VRSEA Representative (term expiring October 31, 2024)
MICHAEL PIECIAK, VT State Treasurer
ERIC DAVIS, VSEA Representative (term expiring September 30, 2023)
JEAN-PAUL ISABELLE, VSEA Representative (term expiring September 30, 2024)
BETH FASTIGGI, Commissioner of Human Resources
ADAM GRESHIN, Commissioner of Finance and Management
JAY WISNER, Governor's Delegate position
ALLEN BLAKE, VRSEA Alternate Representative (term expiring October 31, 2024)
JOHN VORDER BRUEGGE, VSEA Alternate Representative (term expiring September 30, 2024)

Members absent:

THOMAS MOZZER, VSEA Representative (term expiring September 30, 2023)

Also attending:

Gavin Boyles, Deputy State Treasurer (*designated voting member on behalf of Treasurer Pieciak)
Tim Duggan, Director, Vermont Retirement Systems
Nicole Weidman, Director of Retirement Operations and Policy
Stephen Barry, Financial Administrator, Retirement Division
Dawn Neddo, Chief Retirement Specialist
Jeremiah Breer, Chief Financial Officer, Vermont State Treasurer's Office
Justin St. James, Staff Attorney, Vermont State Treasurer's Office

The Chair, Roger Dumas, called the Thursday, April 13, 2023 meeting to order at 9:01 a.m., which was held by conference call and in-person at the Treasurer's Conference Room, Pavilion Building, 4th Floor, 109 State Street, Montpelier, VT.

ITEM 1: Agenda approval and announcements

On a motion made by Mr. Davis, seconded by Mr. Wisner, the Board voted unanimously to approve the agenda.

ITEM 2: Approve the Minutes of:

· March 9, 2023

Mr. Davis asked that numbering of Items in the minutes be adjusted.

On a motion made by Mr. Davis, seconded by Mr. Wisner, the Board voted to approve the amended minutes. The motion passed with Mr. Pieciak, Mr. Davis, Mr. Isabelle, Mr. Wisner, Ms. Fastiggi, and Mr. Greshin voting in favor of the motion. Mr. Dumas abstained from the vote.

ITEM 3: RFP Update – Actuarial Services

On a motion made by Mr. Isabelle, seconded by Mr. Wisner, the Board voted unanimously to make a specific finding that premature general public knowledge about upcoming contract negotiations for a System actuary would clearly place the Board at a substantial disadvantage.

Based on this finding, on a motion made by Mr. Isabelle, seconded by Mr. Wisner, the Board voted unanimously to enter executive session to discuss the RFP for a System actuary and upcoming contract negotiations.

The Board entered executive session at 9:09 a.m.

The Board came out of executive session at 9:42 a.m.

ITEM 4: Experience Study

Mr. Duggan presented the planned timing of the Experience Study and Act 114's effect on the cadence and periods of the Experience Study. He explained that he believes it appropriate to begin work on the Experience Study for completion in the fall.

The Board weighed the value and risk of doing the experience study this year against an additional year of data. Discussion revolved around the pandemic's impact on the last three years, the importance of managing assumptions, and VPICs role in updating the economic assumptions. Mr. Davis and Mr. Isabelle had questions as to whether the intent was to include FY 2023 data.

Mr. Duggan is having conversations with all three Boards to understand all parties' perspectives on the matter and will begin preliminary work on the experience study next month.

ITEM 5: Group G Update

Mr. Duggan and Ms. Neddo presented the Group G transition. Mr. Duggan informed the Board that the education phase of the rollout was complete and that forms have been mailed. Ms. Neddo explained the scope of work that went into her team of retirement specialists preparing eligible members for their decision to join Group G.

The Board thanked Dawn and her team for all the work in educating members and creating Group G.

Ms. Neddo left the meeting at 10:21 a.m.

ITEM 6: Medical Review Board Chair Appointment

Mr. Duggan informed the Board that Dr. Anthony Williams has expressed interest in becoming the Chair of the Medical Review Board.

On a motion made by Mr. Isabelle, seconded by Mr. Wisner, the Board voted unanimously to appoint Dr. Anthony Williams to serve as Chair of the Medical Review Board for the Vermont Retirement Systems, provided he receives the approval of all three retirement boards.

ITEM 7: Medical Review Board Compensation

Mr. Duggan gave background on the compensation for the Medical Review Board whose compensation was last revised in 2010. He believes it warranted to increase the compensation from \$150/case for the Chair and \$125/case for side members to retain and recruit Board members.

On a motion made by Mr. Wisner, seconded by Mr. Isabelle, the Board voted unanimously to raise the fee for the Chair of the Medical Review Board to \$200/case and the fee for the other members of the Medical Review Board to \$150/case, provided all three Boards approve.

ITEM 8: Legislative Update

Mr. Duggan updated the Board that all position requests, miscellaneous cleanup, and appropriations relating to VSERS continue to be non-controversial items. Mr. Davis asked for an update on S.42. Mr. Pieciak updated the Board on the status of S.42. He emphasized the focus on flexibility and causing no harm to the system.

On a motion made by Mr. Davis, seconded by Mr. Isabelle, the Board voted to support VPICs suggested adjustments to S.42. The motion passed with Mr. Dumas, Mr. Davis, Mr. Isabelle, Mr. Wisner, Ms. Fastiggi, and Mr. Greshin voting in favor of the motion. Mr. Pieciak abstained from the vote due to being part of the ongoing negotiations.

ITEM 9: Adjournment

Mr. Davis thanked Mr. Duggan for compiling the information for the meeting especially the work on the Actuarial Services RFP and thanked Mr. Barry for distributing in a timely manner.

Mr. Duggan raised the VSERS VPIC Board Representative openings on 6/30/2023 as Robert Hooper and Jeff Briggs terms will be expiring.

On a motion made by Mr. Isabelle, seconded by Mr. Pieciak, the Board voted unanimously to adjourn at 10:42 a.m.

Next Meeting Date:

The next regularly scheduled VSERS Board meeting is on May 11, 2023 at 9:00 a.m.
Respectfully submitted,

A handwritten signature in black ink, appearing to read 'S B' followed by a stylized flourish.

Stephen Barry
Secretary to the Board